

## Message Text

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ORIGIN COME-00

INFO OCT-01 EA-07 ISO-00 EB-07 XMB-02 DODE-00 NRC-05

NSAE-00 USIA-06 TRSE-00 ERDA-05 CIAE-00 EUR-12 /045 R

DRAFTED BY COM/OED/MEPD/GBURKE/LW

APPROVED BY EB/OCA/CD:EMSACCHETT

COM/OED/MEPD/JMSANDS

COM/OIM (INFO COPY)

EXIMBANK/DBSMITH (PHONE)

STATE: EA:FMISCH (SUBSTANCE)

----- 129581

P 151959Z SEP 76

FM SECSTATE WASHDC

TO AMEMBASSY SEOUL PRIORITY

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E.O. 11652: N/A

TAGS: BENC, KS

SUBJECT: MAJOR PROJECT: KOREA CHEMICAL PULP COMPANY MILL

1. U.S. ENGINEERING FIRM KIMTECH (SUBSIDIARY OF KIMBERLY CLARK) CONTACTED COMMERCE/MEPD TO REQUEST EMBASSY ASSISTANCE ON ITS BID FOR TURNKEY PULP MILL FOR KOREA CHEMICAL PULP COMPANY (KCPC). KIMTECH SUBMITTED PROPOSAL ABOUT AUGUST 20. FIRM STATES SEVEN OTHER PROPOSALS WERE RECEIVED BUT THEY UNDERSTAND UNOFFICIALLY THAT ONLY FIVE REMAIN UNDER ACTIVE CONSIDERATION: KIMTECH AND ONE EACH FROM CANADA, GERMANY, JAPAN, AND FRANCE. FIRM ESTIMATES TOTAL COST OF PROJECT APPROXIMATELY 120 MILLION DOLLARS, WITH KIMTECH PROPOSAL INCLUDING ABOUT 44 MILLION DOLLARS IN U.S. GOODS AND SERVICES.

2. KIMTECH WAS UNABLE TO COMPLETE DETAILED FINANCING  
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PACKAGE FOR ITS AUGUST 20 PROPOSAL. FIRM IS NOW WORKING

WITH CITIBANK TO PUT TOGETHER PACKAGE AND IS TALKING TO EXIMBANK.

3. ACTION REQUESTED: KIMTECH CONCERNED THAT, WITH

SELECTION PROCESS APPARENTLY MOVING RAPIDLY, FIRM MAY BE ELIMINATED FROM CONTEST IN NEXT FEW DAYS BY FACT THAT ITS FINANCING NOT YET COMPLETE. WOULD APPRECIATE EMBASSY

MAKE REPRESENTATIONS TO MR. S.Y. HAN, DIRECTOR, KCPC, INDICATING THAT FIRM MAKING SERIOUS EFFORTS TO PUT TOGETHER FINANCING AND EXPRESSING CONCERN THAT U.S. COMPETITOR BE GIVEN TIME TO PUT TOGETHER BEST POSSIBLE FINANCIAL PROPOSAL. IF KIMTECH'S INFORMATION ON KCPC'S TIMETABLE IS CORRECT, PRIORITY ACTION IS INDICATED. BILL HERAN, MANAGING DIRECTOR, YUHAN KIMBERLY, IS LOCALLY REPRESENTING KIMTECH'S INTEREST IN SUBJECT PROJECT. BELIEVE MR. HERAN WILL CALL ON EMBASSY SOON TO PROVIDE FULL BRIEFING ON KIMTECH'S INTEREST. ROBINSON

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 SEP 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** izenbei0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE228438  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** OED/MEPD/GBURKE/LW  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** izenbei0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 28 MAY 2004  
**Review Event:**  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MAJOR PROJECT: KOREA CHEMICAL PULP COMPANY MILL  
**TAGS:** BENC, KS  
**To:** SEOUL  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006